

RECEIVED

FEB 18 2009

**PUBLIC SERVICE
COMMISSION**

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF SHELBY)
ENERGY COOPERATIVE, INC. FROM) CASE NO. 2008-00536
NOVEMBER 1, 2006 THROUGH)
OCTOBER 31, 2008)**

RESPONSE TO ORDER FOR INFORMATION

DATED JANUARY 23, 2009

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

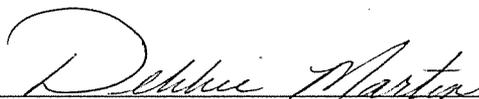
In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF SHELBY ENERGY) CASE NO. 2008-00536
COOPERATIVE, INC. FROM NOVEMBER 1, 2006)
THROUGH OCTOBER 31, 2008)

AFFIDAVIT

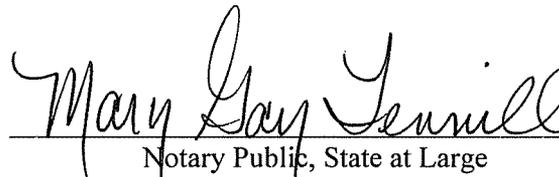
The affiant, Debbie Martin., President & CEO, Shelby County, states that for the period of November 1, 2006 through October 31, 2008, Shelby Energy Cooperative, Inc. has operated in compliance with the provisions of the uniform fuel adjustment clause, as prescribed in 807 KAR 5:056, Section 1 (11), and that no inquiries or complaints regarding the fuel adjustment clause have been received during said period.

Witness my hand this 18th day February, 2009



Debbie Martin

Subscribed and sworn before me this 18 day February, 2009



Notary Public, State at Large

My Commission Expires March 28, 2010

CASE NO. 2008-00536

SHELBY ENERGY COOPERATIVE, INC.

Witnesses who will be available to respond to questions concerning the information requested:

Debbie Martin, President & CEO

Farrah Cox, Office Services Manager

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00536 DATED January 23, 2009

1.
 - a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2006 through October 2008.
 - b. Describe the measures that Shelby has taken to reduce line loss during this period.
2. Provide a schedule showing the calculation of monthly over- or under-recovery of fuel costs from November 1, 2006 through October 31, 2008.
3. Provide Shelby's monthly revenue reports (monthly billing summaries) showing the total revenue collected, including adjustments under the fuel adjustment clause reported in Shelby's monthly filings required by the Commission from November 1, 2006 through October 31, 2008.
4. Provide a schedule showing the calculation of the increase or decrease in Shelby's base fuel costs per KWH as proposed by its wholesale electric supplier adjusted for Shelby's 12-month average line loss for November 2006 through October 2008.
5. Provide a schedule of the present and proposed rates that Shelby seeks to change pursuant to 807 KAR 5:056 as calculated in Item 4 above, shown in comparative form.
6. Provide a statement showing by cross-outs and italicized inserts all proposed change in rates. A copy of the current tariff may be used.

SHELBY ENERGY COOPERATIVE, INC.
12-MONTH AVERAGE LINE LOSS BY MONTH
NOVEMBER, 2006 - OCTOBER, 2008

| | | KWH PURCHASED | KWH SALES TO MEMBERS | LINE LOSS | 12 MTH AVG % |
|-----------|------|--------------------------|---------------------------------|----------------------|-------------------------|
| OCTOBER | 2006 | 458,405,152 | 442,837,652 | 15,567,500 | 3.40% |
| NOVEMBER | 2005 | 35,848,791 | 30,890,391 | 4,958,400 | |
| NOVEMBER | 2006 | <u>36,571,724</u> | <u>34,924,659</u> | <u>1,647,065</u> | |
| | | 459,128,085 | 446,871,920 | 12,256,165 | 2.67% |
| DECEMBER | 2005 | 46,090,207 | 47,963,916 | (1,873,709) | |
| DECEMBER | 2006 | <u>41,210,197</u> | <u>43,577,673</u> | <u>(2,367,476)</u> | |
| | | 454,248,075 | 442,485,677 | 11,762,398 | 2.59% |
| JANUARY | 2006 | 40,422,517 | 40,742,342 | (319,825) | |
| JANUARY | 2007 | <u>44,666,897</u> | <u>43,163,120</u> | <u>1,503,777</u> | |
| | | 458,492,455 | 444,906,455 | 13,586,000 | 2.96% |
| FEBRUARY | 2006 | 39,395,260 | 37,469,513 | 1,925,747 | |
| FEBRUARY | 2007 | <u>47,290,518</u> | <u>45,739,713</u> | <u>1,550,805</u> | |
| | | 466,387,713 | 453,176,655 | 13,211,058 | 2.83% |
| MARCH | 2006 | 39,022,352 | 37,644,247 | 1,378,105 | |
| MARCH | 2007 | <u>38,012,773</u> | <u>37,319,205</u> | <u>693,568</u> | |
| | | 465,378,134 | 452,851,613 | 12,526,521 | 2.69% |
| APRIL | 2006 | 32,099,724 | 34,210,616 | (2,110,892) | |
| APRIL | 2007 | <u>35,798,459</u> | <u>33,902,568</u> | <u>1,895,891</u> | |
| | | 469,076,869 | 452,543,565 | 16,533,304 | 3.52% |
| MAY | 2006 | 34,660,031 | 31,757,562 | 2,902,469 | |
| MAY | 2007 | <u>36,168,520</u> | <u>33,294,216</u> | <u>2,874,304</u> | |
| | | 470,585,358 | 454,080,219 | 16,505,139 | 3.51% |
| JUNE | 2006 | 37,569,654 | 35,068,263 | 2,501,391 | |
| JUNE | 2007 | <u>39,387,155</u> | <u>37,192,208</u> | <u>2,194,947</u> | |
| | | 472,402,859 | 456,204,164 | 16,198,695 | 3.43% |
| JULY | 2006 | 42,451,546 | 39,391,174 | 3,060,372 | |
| JULY | 2007 | <u>40,593,096</u> | <u>39,034,248</u> | <u>1,558,848</u> | |
| | | 470,544,409 | 455,847,238 | 14,697,171 | 3.12% |
| AUGUST | 2006 | 43,966,962 | 42,891,132 | 1,075,830 | |
| AUGUST | 2007 | <u>47,576,196</u> | <u>44,457,146</u> | <u>3,119,050</u> | |
| | | 474,153,643 | 457,413,252 | 16,740,391 | 3.53% |
| SEPTEMBER | 2006 | 32,437,729 | 33,971,369 | (1,533,640) | |
| SEPTEMBER | 2007 | <u>38,408,980</u> | <u>39,203,902</u> | <u>(794,922)</u> | |
| | | 480,124,894 | 462,645,785 | 17,479,109 | 3.64% |
| OCTOBER | 2006 | 34,440,379 | 30,837,127 | 3,603,252 | |
| OCTOBER | 2007 | <u>35,670,056</u> | <u>33,570,711</u> | <u>2,099,345</u> | |
| | | 481,354,571 | 465,379,369 | 15,975,202 | 3.32% |
| NOVEMBER | 2006 | 36,571,724 | 34,924,659 | 1,647,065 | |
| NOVEMBER | 2007 | <u>37,577,385</u> | <u>35,737,513</u> | <u>1,839,872</u> | |
| | | 482,360,232 | 466,192,223 | 16,168,009 | 3.35% |
| DECEMBER | 2006 | 41,210,197 | 43,577,673 | (2,367,476) | |
| DECEMBER | 2007 | <u>43,307,090</u> | <u>42,174,621</u> | <u>1,132,469</u> | |
| | | 484,457,125 | 464,789,171 | 19,667,954 | 4.06% |

**SHELBY ENERGY COOPERATIVE, INC.
12-MONTH AVERAGE LINE LOSS BY MONTH
NOVEMBER, 2006 - OCTOBER, 2008**

| | | KWH PURCHASED | KWH SALES TO MEMBERS | LINE LOSS | 12 MTH AVG % |
|-----------|------|-------------------|-------------------------|------------------|-----------------|
| JANUARY | 2007 | 44,666,897 | 43,163,120 | 1,503,777 | |
| JANUARY | 2008 | <u>50,104,057</u> | <u>45,934,326</u> | <u>4,169,731</u> | |
| | | 489,894,285 | 467,560,377 | 22,333,908 | 4.56% |
| FEBRUARY | 2007 | 47,290,518 | 45,739,713 | 1,550,805 | |
| FEBRUARY | 2008 | <u>45,066,666</u> | <u>44,737,294</u> | <u>329,372</u> | |
| | | 487,670,433 | 466,557,958 | 21,112,475 | 4.33% |
| MARCH | 2007 | 38,012,773 | 37,319,205 | 693,568 | |
| MARCH | 2008 | <u>42,041,436</u> | <u>41,156,656</u> | <u>884,780</u> | |
| | | 491,699,096 | 470,395,409 | 21,303,687 | 4.33% |
| APRIL | 2007 | 35,798,459 | 33,902,568 | 1,895,891 | |
| APRIL | 2008 | <u>34,057,791</u> | <u>33,983,035</u> | <u>74,756</u> | |
| | | 489,958,428 | 470,475,876 | 19,482,552 | 3.98% |
| MAY | 2007 | 36,168,520 | 33,294,216 | 2,874,304 | |
| MAY | 2008 | <u>32,965,506</u> | <u>32,226,837</u> | <u>738,669</u> | |
| | | 486,755,414 | 469,408,497 | 17,346,917 | 3.56% |
| JUNE | 2007 | 39,387,155 | 37,192,208 | 2,194,947 | |
| JUNE | 2008 | <u>38,824,526</u> | <u>35,602,550</u> | <u>3,221,976</u> | |
| | | 486,192,785 | 467,818,839 | 18,373,946 | 3.78% |
| JULY | 2007 | 40,593,096 | 39,034,248 | 1,558,848 | |
| JULY | 2008 | <u>40,018,172</u> | <u>37,154,761</u> | <u>2,863,411</u> | |
| | | 485,617,861 | 465,939,352 | 19,678,509 | 4.05% |
| AUGUST | 2007 | 47,576,196 | 44,457,146 | 3,119,050 | |
| AUGUST | 2008 | <u>40,806,709</u> | <u>39,763,945</u> | <u>1,042,764</u> | |
| | | 478,848,374 | 461,246,151 | 17,602,223 | 3.68% |
| SEPTEMBER | 2007 | 38,408,980 | 39,203,902 | (794,922) | |
| SEPTEMBER | 2008 | <u>35,198,601</u> | <u>35,739,580</u> | <u>(540,979)</u> | |
| | | 475,637,995 | 457,781,829 | 17,856,166 | 3.75% |
| OCTOBER | 2007 | 35,670,056 | 33,570,711 | 2,099,345 | |
| OCTOBER | 2008 | <u>32,828,481</u> | <u>30,955,205</u> | <u>1,873,276</u> | |
| | | 472,796,420 | 455,166,323 | 17,630,097 | 3.73% |

SHELBY ENERGY COOPERATIVE, INC.
February 2008

Programs to analyze and implement line loss reductions are continuously in effect.

These involve a monthly substation phase balance analysis for each distribution circuit on the system, an extensive annual right-of-way clearing and tree trimming project, the purchase of equipment on loss-price evaluation and system voltage drop studies.

SHELBY ENERGY COOPERATIVE, INC.
MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS
NOVEMBER, 2006 - OCTOBER, 2008

| | FUEL ADJ FROM WHOLESALE SUPPLIER Ln13a - Curr Mth (Top) | FLOW THRU TO SHELBY ENERGY CUSTOMERS Ln 11 - Prev Mth (Bottom) | NET OVER UNDER RECOVERY | CUMULATIVE BALANCE |
|--------|---|--|----------------------------------|-----------------------|
| Nov-06 | \$93,624.00 | \$86,892.75 | \$6,731.25 | \$0.00 |
| Dec-06 | \$212,233.00 | \$164,334.08 | \$47,898.92 | \$54,630.17 |
| Jan-07 | \$307,754.00 | \$248,109.37 | \$59,644.63 | \$114,274.80 |
| Feb-07 | \$567,913.00 | \$285,961.63 | \$281,951.37 | \$396,226.17 |
| Mar-07 | \$567,913.00 | \$517,134.94 | \$50,778.06 | \$447,004.23 |
| Apr-07 | \$303,569.00 | \$434,264.68 | (\$130,695.68) | \$316,308.55 |
| May-07 | \$640,546.00 | \$725,705.76 | (\$85,159.76) | \$231,148.79 |
| Jun-07 | \$237,897.00 | \$202,229.91 | \$35,667.09 | \$266,815.88 |
| Jul-07 | \$278,062.00 | \$245,495.13 | \$32,566.87 | \$299,382.75 |
| Aug-07 | \$11,895.00 | \$17,919.15 | (\$6,024.15) | \$293,358.60 |
| Sep-07 | \$335,696.00 | \$305,899.70 | \$29,796.30 | \$323,154.90 |
| Oct-07 | \$119,850.00 | \$91,859.20 | \$27,990.80 | \$351,145.70 |
| Nov-07 | \$47,724.00 | \$122,045.03 | (\$74,321.03) | \$276,824.67 |
| Dec-07 | \$40,708.00 | \$60,647.64 | (\$19,939.64) | \$256,885.03 |
| Jan-08 | \$300,126.00 | \$250,092.35 | \$50,033.65 | \$306,918.68 |
| Feb-08 | \$308,254.00 | \$210,687.24 | \$97,566.76 | \$404,485.44 |
| Mar-08 | \$230,808.00 | \$236,977.70 | (\$6,169.70) | \$398,315.74 |
| Apr-08 | \$310,948.00 | \$388,331.39 | (\$77,383.39) | \$320,932.35 |
| May-08 | \$264,384.00 | \$321,351.51 | (\$56,967.51) | \$263,964.84 |
| Jun-08 | \$195,285.00 | \$222,794.52 | (\$27,509.52) | \$236,455.32 |
| Jul-08 | \$482,219.00 | \$399,154.67 | \$83,064.33 | \$319,519.65 |
| Aug-08 | \$239,535.00 | \$179,277.68 | \$60,257.32 | \$379,776.97 |
| Sep-08 | \$357,266.00 | \$438,524.01 | (\$81,258.01) | \$298,518.96 |
| Oct-08 | \$474,701.00 | \$650,915.34 | (\$176,214.34) | \$122,304.62 |

SHELBY ENERGY COOPERATIVE, INC.
KWH SALES ANALYSIS
NOVEMBER, 2006 - OCTOBER, 2008

| | ORIGINAL KWH BILLED TO CUSTOMERS | KWH ADJUSTMENT TO BILLING | NET KWH BILLED TO CUSTOMERS |
|--------|--|---------------------------------|-----------------------------------|
| Nov-06 | 34,959,989 | (35,330) | 34,924,659 |
| Dec-06 | 43,601,111 | (23,438) | 43,577,673 |
| Jan-07 | 43,179,528 | (16,408) | 43,163,120 |
| Feb-07 | 45,736,962 | 2,751 | 45,739,713 |
| Mar-07 | 37,311,334 | 7,871 | 37,319,205 |
| Apr-07 | 33,953,826 | (51,258) | 33,902,568 |
| May-07 | 33,306,490 | (12,274) | 33,294,216 |
| Jun-07 | 37,188,914 | 3,294 | 37,192,208 |
| Jul-07 | 39,017,201 | 17,047 | 39,034,248 |
| Aug-07 | 44,438,116 | 19,030 | 44,457,146 |
| Sep-07 | 39,020,357 | 183,545 | 39,203,902 |
| Oct-07 | 33,581,086 | (10,375) | 33,570,711 |
| Nov-07 | 35,758,607 | (21,094) | 35,737,513 |
| Dec-07 | 42,286,441 | (111,820) | 42,174,621 |
| Jan-08 | 45,934,326 | (7,940) | 45,926,386 |
| Feb-08 | 44,813,001 | (75,707) | 44,737,294 |
| Mar-08 | 41,150,525 | 6,131 | 41,156,656 |
| Apr-08 | 34,017,804 | (34,769) | 33,983,035 |
| May-08 | 32,248,600 | (21,763) | 32,226,837 |
| Jun-08 | 35,904,009 | (301,459) | 35,602,550 |
| Jul-08 | 37,146,312 | 8,449 | 37,154,761 |
| Aug-08 | 39,771,805 | (7,860) | 39,763,945 |
| Sep-08 | 35,751,355 | (11,775) | 35,739,580 |
| Oct-08 | 31,022,198 | (66,993) | 30,955,205 |
| | 921,099,897 | (562,145) | 920,537,752 |

SHELBY ENERGY COOPERATIVE, INC.
ANALYSIS OF FUEL ADJUSTMENT REVENUE
MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS
NOVEMBER, 2006 - OCTOBER, 2008

| | ORIG FAC SALES TO CUSTOMERS | CALC OF FAC ADJ | FC FACTOR | ADJ TO FAC | NET FAC TO CUSTOMERS |
|--------|-----------------------------------|--------------------|--------------|---------------|----------------------------|
| Nov-06 | 305,463.96 | (35,330) | 0.00874 | (308.78) | 305,155.18 |
| Dec-06 | 385,717.92 | (23,438) | 0.00885 | (207.43) | 385,510.49 |
| Jan-07 | 86,922.12 | (16,408) | 0.00179 | (29.37) | 86,892.75 |
| Feb-07 | 164,325.77 | 2,751 | 0.00302 | 8.31 | 164,334.08 |
| Mar-07 | 248,057.74 | 7,871 | 0.00656 | 51.63 | 248,109.37 |
| Apr-07 | 286,335.30 | (51,258) | 0.00729 | (373.67) | 285,961.63 |
| May-07 | 517,335.50 | (12,274) | 0.01634 | (200.56) | 517,134.94 |
| Jun-07 | 434,231.08 | 3,294 | 0.01020 | 33.60 | 434,264.68 |
| Jul-07 | 725,350.33 | 17,047 | 0.02085 | 355.43 | 725,705.76 |
| Aug-07 | 202,151.89 | 19,030 | 0.00410 | 78.02 | 202,229.91 |
| Sep-07 | 244,188.29 | 183,545 | 0.00712 | 1,306.84 | 245,495.13 |
| Oct-07 | 17,911.37 | (10,375) | (0.00075) | 7.78 | 17,919.15 |
| Nov-07 | 306,110.64 | (21,094) | 0.01000 | (210.94) | 305,899.70 |
| Dec-07 | 92,078.01 | (111,073) | 0.00197 | (218.81) | 91,859.20 |
| Jan-08 | 122,069.49 | (7,940) | 0.00308 | (24.46) | 122,045.03 |
| Feb-08 | 60,677.92 | (75,707) | 0.00040 | (30.28) | 60,647.64 |
| Mar-08 | 250,055.13 | 6,131 | 0.00607 | 37.22 | 250,092.35 |
| Apr-08 | 210,900.37 | (34,769) | 0.00613 | (213.13) | 210,687.24 |
| May-08 | 237,124.16 | (21,763) | 0.00673 | (146.46) | 236,977.70 |
| Jun-08 | 391,689.64 | (301,459) | 0.01114 | (3,358.25) | 388,331.39 |
| Jul-08 | 321,272.26 | 8,449 | 0.00938 | 79.25 | 321,351.51 |
| Aug-08 | 222,830.52 | (7,860) | 0.00458 | (36.00) | 222,794.52 |
| Sep-08 | 399,295.50 | (11,775) | 0.01196 | (140.83) | 399,154.67 |
| Oct-08 | 179,598.58 | (66,993) | 0.00479 | (320.90) | 179,277.68 |
| | 6,411,693.49 | (561,398) | | (3,861.80) | 6,407,831.69 |

SHELBY ENERGY COOPERATIVE, INC.
INCREASE OR DECREASE IN SHELBY'S 12 MONTH AVERAGE LINE LOSS
MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS
NOVEMBER, 2006 - OCTOBER, 2008

| | KWH PURCHASED | KWH SALES TO CUSTOMERS | KWH LINE LOSS |
|---|------------------|------------------------------|---------------------|
| Nov-06 | 36,571,724 | 34,924,659 | 1,647,065 |
| Dec-06 | 41,210,197 | 43,577,673 | (2,367,476) |
| Jan-07 | 44,666,897 | 43,163,120 | 1,503,777 |
| Feb-07 | 47,290,518 | 45,739,713 | 1,550,805 |
| Mar-07 | 38,012,773 | 37,319,205 | 693,568 |
| Apr-07 | 35,798,459 | 33,902,568 | 1,895,891 |
| May-07 | 36,168,520 | 33,294,216 | 2,874,304 |
| Jun-07 | 39,387,155 | 37,192,208 | 2,194,947 |
| Jul-07 | 40,593,096 | 39,034,248 | 1,558,848 |
| Aug-07 | 47,576,196 | 44,457,146 | 3,119,050 |
| Sep-07 | 38,408,980 | 39,203,902 | (794,922) |
| Oct-07 | 35,670,056 | 33,570,711 | 2,099,345 |
| Nov-07 | 37,577,385 | 35,737,513 | 1,839,872 |
| Dec-07 | 43,307,090 | 42,174,621 | 1,132,469 |
| Jan-08 | 50,104,057 | 45,934,326 | 4,169,731 |
| Feb-08 | 45,066,666 | 44,737,294 | 329,372 |
| Mar-08 | 42,041,436 | 41,156,656 | 884,780 |
| Apr-08 | 34,057,791 | 33,983,035 | 74,756 |
| May-08 | 32,965,506 | 32,226,837 | 738,669 |
| Jun-08 | 38,824,526 | 35,602,550 | 3,221,976 |
| Jul-08 | 40,018,172 | 37,154,761 | 2,863,411 |
| Aug-08 | 40,806,709 | 39,763,945 | 1,042,764 |
| Sep-2008 | 35,198,601 | 35,739,580 | (540,979) |
| Oct-08 | 32,828,481 | 30,955,205 | 1,873,276 |
| | 954,150,991 | 920,545,692 | 33,605,299 |
| 24 Month Average % | | 33,605,299 / 954,150,991 | = 0.03522 |
| Wholesale Power Supplier's Adjustment Per kWh | | | = 0.01015 |
| Shelby Energy's 24 Month Average Line Loss | | | = 0.03522 |
| Shelby Energy's Change in Base Rate Per kWh | 0.01015 | / 0.964780 | = 0.01052 |

SHELBY ENERGY COOPERATIVE, INC.

| | Present Rate | Proposed Rate |
|--|-------------------------|--------------------------|
| General Service - Rate 1 | | |
| First 600 kWh | 0.07574 | 0.08626 |
| Next 1400 kWh | 0.07394 | 0.08446 |
| All over 2000 kWh | 0.07259 | 0.08311 |
| Optional Residential, Church and School Service - Rate 10 | | |
| All kWh | 0.06403 | 0.07455 |
| Large Power - Rate 2 | | |
| First 100 kWh per KW demand | 0.06163 | 0.07215 |
| Next 100 kWh per KW demand | 0.05591 | 0.06643 |
| All over 200 kWh per KW demand | 0.05020 | 0.06072 |
| Optional TOD Demand - Rate 22 | | |
| First 100 kWh per KW demand | 0.06163 | 0.07215 |
| Next 100 kWh per KW demand | 0.05591 | 0.06643 |
| All over 200 kWh per KW demand | 0.05020 | 0.06072 |
| Outdoor & Street Lighting Service - Rate 3 | | |
| HPS 100 Watt Security Light (39 kWh) | 6.93 | 7.34 |
| HPS 100 Watt Decorative Colonial Light (39 kWh) | 9.39 | 9.80 |
| HPS 400 Watt Directional Flood & Security/Street Light (159 kWh) | 13.73 | 15.40 |
| HPS 250 Watt Directional Flood & Security/Street Light (87 kWh) | 10.06 | 10.98 |
| HPS 150 Watt Decorative Acorn Light (58 kWh) | 11.16 | 11.77 |
| Off-Peak Retail Marketing Rate - ETS | | |
| All kWh | 0.04355 | 0.04987 |
| Large Industrial Rate - Schedule B1 | | |
| All kWh | 0.04297 | 0.05349 |
| Large Industrial Rate - Schedule B2 | | |
| All kWh | 0.03784 | 0.04836 |
| Large Industrial Rate - Schedule B3 | | |
| All kWh | 0.03681 | 0.04733 |
| Large Industrial Rate - Schedule C1 | | |
| All kWh | 0.04297 | 0.05349 |
| Large Industrial Rate - Schedule C2 | | |
| All kWh | 0.03784 | 0.04836 |
| Large Industrial Rate - Schedule C3 | | |
| All kWh | 0.03681 | 0.04733 |
| Special Outdoor Lighting - Rate 33 | 0.05013 | 0.06065 |

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 2

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
3rd Revised Sheet No. 2

| CLASSIFICATION OF SERVICE | | | | | |
|---|--------------------------|---------------|-----------------------|-----------|---------------|
| GENERAL SERVICE - RATE 1 | | | | | Rate Per Unit |
| <u>Rate</u> | | | | | |
| <u>Energy Charge</u> | | | | | |
| | Consumer Facility Charge | | \$ 7.37 | (minimum) | |
| First | 600 | kWh per month | \$ 0.07574 | per kWh | R |
| | | | 0.08626 | | |
| Next | 1,400 | kWh per month | \$ 0.07394 | per kWh | R |
| | | | 0.08446 | | |
| All Over | 2,000 | kWh per month | \$ 0.07259 | per kWh | R |
| | | | 0.08311 | | |
| <u>DETERMINATION OF BILLING DEMAND:</u> | | | | | |
| <p>The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided hereafter.</p> | | | | | |
| <u>POWER FACTOR ADJUSTMENT:</u> | | | | | |
| <p>The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 0.90 (90%) and divided by the power factor.</p> | | | | | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007

ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5

4th Revised Sheet No. 5

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

Cancelling P.S.C. NO. 5

3rd Revised Sheet No. 5

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | | Rate Per Unit | |
|---|-----------------------|---|---|
| LARGE POWER SERVICE - RATE 2 | | | |
| <u>AVAILABILITY:</u> | | | |
| <p>Available to all consumers whose KW demand shall be greater than 50 KW, including residential and farm consumers who do not qualify under availability of service under Rate 1, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.</p> | | | |
| <u>TYPES OF SERVICE:</u> | | | |
| <p>Three -phase, 60 Hertz, available at Sellers's standard voltage</p> | | | |
| <u>RATE:</u> | | | |
| <u>Demand Charge</u> | | | |
| <p>\$4.62 per month per KW of billing demand</p> | | | |
| <u>Energy Charge</u> | | | |
| First | 100 kWh per KW demand | \$0.06163 per kWh 0.07215 | R |
| Next | 100 kWh per KW demand | \$0.05594 per kWh 0.06643 | R |
| All Over | 200 kWh per KW demand | \$0.05020 per kWh 0.06072 | R |

DATE OF ISSUE December 20, 2007

DATE EFFECTIVE: August 1, 2007

ISSUED BY _____
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524

Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
5th Revised Sheet No. 9

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
4th Revised Sheet No. 9

CLASSIFICATION OF SERVICE

OUTDOOR AND STREET LIGHTING SERVICE - RATE 3

**Rate
Per Unit**

AVAILABILITY:

Available to all consumers of the Cooperative, subject to the established Rules and Regulations of the Cooperative.

TYPE OF SERVICE:

Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn.

RATES:

| Type of Fixture | | | | |
|-----------------|----------------------------|--|---------------------------------|---|
| A. | HPS (High Pressure Sodium) | 100 Watt Security Light | \$ 6.93 \$ 7.34 | R |
| B. | HPS (High Pressure Sodium) | 100 Watt Decorative Colonial Light | \$ 9.39 \$ 9.80 | R |
| C. | HPS (High Pressure Sodium) | 400 Watt Directional Flood and Security and Street Light | \$ 13.73 \$ 15.40 | R |
| D. | HPS (High Pressure Sodium) | 250 Watt Directional Flood and Security and Street Light | \$ 10.06 \$ 10.98 | R |
| E. | HPS (High Pressure Sodium) | 150 Watt Decorative Acorn Light | \$ 11.16 \$ 11.77 | R |

DATE OF ISSUE December 20, 2007

DATE EFFECTIVE: August 1, 2007

ISSUED BY _____
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524

Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
6th Revised Sheet No. 15

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
5th Revised Sheet NO 15

| CLASSIFICATION OF SERVICE | | | | | | | | | | |
|---|--|---------------|-------------------------------|-----------------------|--------------------------|-----------------------|--|---------|--|----------|
| OFF-PEAK RETAIL MARKETING RATE (ETS) | Rate Per Unit | | | | | | | | | |
| <p><u>AVAILABILITY OF SERVICE:</u></p> <p>This special marketing rate is made as an attachment to Rate GS-1 & Rate 10 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.</p> <p>The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-1 & Rate 10. This marketing rate applies only to programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E.</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Months</u></td> <td style="text-align: center;"><u>Hours Applicable - EST</u></td> </tr> <tr> <td>May through September</td> <td>10:00 P.M. to 10:00 A.M.</td> </tr> <tr> <td>October through April</td> <td>12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.</td> </tr> </table> <p style="text-align: center;"><u>Rates</u></p> <p>The energy rate for this program is as listed below:</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">All kWh</td> <td style="text-align: center;">\$0.04355 per kWh 0.04987</td> <td style="text-align: center; vertical-align: bottom;">R</td> </tr> </table> | | <u>Months</u> | <u>Hours Applicable - EST</u> | May through September | 10:00 P.M. to 10:00 A.M. | October through April | 12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M. | All kWh | \$ 0.04355 per kWh 0.04987 | R |
| <u>Months</u> | <u>Hours Applicable - EST</u> | | | | | | | | | |
| May through September | 10:00 P.M. to 10:00 A.M. | | | | | | | | | |
| October through April | 12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M. | | | | | | | | | |
| All kWh | \$ 0.04355 per kWh 0.04987 | R | | | | | | | | |

DATE OF ISSUE December 20, 2007

DATE EFFECTIVE: August 1, 2007

ISSUED BY _____
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524

Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 60

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

P.S.C. NO. 5
Original Sheet No. 60

| CLASSIFICATION OF SERVICE | |
|--|--------------------------|
| SPECIAL OUTDOOR LIGHTING SERVICE - RATE 33 | Rate Per Unit |
| <p><u>AVAILABILITY:</u></p> <p>This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided for under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.</p> <p><u>TYPE OF SERVICE:</u></p> <p>The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.</p> <p><u>RATES:</u></p> <p>The monthly charge will be the sum of items (1) and (2) below.</p> <p>1. The Energy Rate for each type of lamp shall be \$ 0.05013 per kWh as determined by the following formula: <u>0.06065</u></p> <p>Monthly Rated kWh = (4100 hours per year X Manufacturer's total input rating in watts) divided by (12X1000).</p> <p>2. Facilities Charge - The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.</p> | R |

DATE OF ISSUE: December 20, 2007

DATE EFFECTIVE: August 1, 2007

ISSUED BY: _____
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524

Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 43

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
3rd Revised Sheet No. 43

| CLASSIFICATION OF SERVICE | | | | | | | | | | | |
|--|----------------------------------|-----------------|--|-------------------------|----------|------------------------|-------|--|--|-----------------------|----------------------------------|
| OPTIONAL RESIDENTIAL, CHURCH & SCHOOL SERVICE - RATE 10 | Rate Per Unit | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Available for residences, churches, schools, volunteer fire departments, municipal fire departments and municipal buildings willing to accept the Seller's Special provisions as conditions of service.</p> | | | | | | | | | | | |
| <p><u>TYPE OF SERVICE:</u></p> <p>Single phase and three-phase, 60 hertz, at available secondary voltages.</p> | | | | | | | | | | | |
| <p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Customer Charge</td> </tr> <tr> <td style="padding-left: 20px;">1. Single Phase Service</td> <td style="text-align: right;">\$ 11.65</td> </tr> <tr> <td style="padding-left: 20px;">2. Three Phase Service</td> <td style="text-align: right;">30.29</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td style="padding-left: 20px;">Energy Charge per kWh</td> <td style="text-align: right;">\$ 0.06403 0.07455</td> </tr> </table> | | Customer Charge | | 1. Single Phase Service | \$ 11.65 | 2. Three Phase Service | 30.29 | | | Energy Charge per kWh | \$ 0.06403 0.07455 |
| Customer Charge | | | | | | | | | | | |
| 1. Single Phase Service | \$ 11.65 | | | | | | | | | | |
| 2. Three Phase Service | 30.29 | | | | | | | | | | |
| | | | | | | | | | | | |
| Energy Charge per kWh | \$ 0.06403 0.07455 | | | | | | | | | | |
| <p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge for this rate schedule shall be \$11.65 for single phase service and \$30.29 for three phase service. Where it is necessary to extend or upgrade existing facilities, the minimum monthly charge may be increased to provide adequate compensation for the added facilities.</p> | | | | | | | | | | | |
| <p><u>SPECIAL PROVISIONS:</u></p> <p>1 During peak system hours, the Cooperative may control electric water heaters, central air conditioners and other major electrical loads. Such control would be for limited time periods and control strategies would be based on industry standard practices to reduce consumer inconvenience.</p> | | | | | | | | | | | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007

ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
7th Revised Sheet No. 39

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
6th Revised 39

| CLASSIFICATION OF SERVICE | | Rate Per Unit | | | | | | | | | | | | |
|--|-----------------------|----------------------------------|-----------------------|----------------------------------|---------|------|-----------------------|----------------------------------|---------|----------|-----------------------|----------------------------------|---------|-------|
| OPTIONAL T-O-D DEMAND - RATE 22 | | | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 1 or Rate 10, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.</p> <p><u>TYPES OF SERVICE:</u></p> <p>Three -phase, 60 Hertz, available at Sellers's standard voltage</p> <p><u>RATE:</u></p> <p><u>Consumer Charge</u></p> <p>\$41.07</p> <p><u>Demand Charge</u></p> <p>\$4.62 per month per KW of billing demand</p> <p><u>Energy Charge</u></p> <table border="0"> <tr> <td>First</td> <td>100 kWh per KW demand</td> <td>\$ 0.06163 0.07215</td> <td>per kWh</td> </tr> <tr> <td>Next</td> <td>100 kWh per KW demand</td> <td>\$ 0.05594 0.06643</td> <td>per kWh</td> </tr> <tr> <td>All Over</td> <td>200 kWh per KW demand</td> <td>\$ 0.05020 0.06072</td> <td>per kWh</td> </tr> </table> | | First | 100 kWh per KW demand | \$ 0.06163 0.07215 | per kWh | Next | 100 kWh per KW demand | \$ 0.05594 0.06643 | per kWh | All Over | 200 kWh per KW demand | \$ 0.05020 0.06072 | per kWh | (R) |
| First | 100 kWh per KW demand | \$ 0.06163 0.07215 | per kWh | | | | | | | | | | | |
| Next | 100 kWh per KW demand | \$ 0.05594 0.06643 | per kWh | | | | | | | | | | | |
| All Over | 200 kWh per KW demand | \$ 0.05020 0.06072 | per kWh | | | | | | | | | | | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007

ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 17

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
3rd Revised Sheet No. 17

| CLASSIFICATION OF SERVICE | | Rate Per Unit |
|--|--|--------------------------|
| LARGE INDUSTRIAL RATE - SCHEDULE B1 | | |
| <u>AVAILABILITY:</u> | | |
| Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand. | | |
| <u>MONTHLY RATE:</u> | | |
| Consumer Charge | \$ 549.32 | |
| Demand Charge per KW of Contract Demand | \$ 5.53 | |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$ 8.03 | |
| Energy Charge per kWh | \$ 0.04297 0.05349 | R |
| <u>BILLING DEMAND:</u> | | |
| The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein: | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | |
| May through September | 10:00 A.M. to 10:00 P.M. | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007

ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 20

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 20

| CLASSIFICATION OF SERVICE | | Rate Per Unit |
|--|--|------------------|
| LARGE INDUSTRIAL RATE - SCHEDULE B2 | | |
| <u>AVAILABILITY:</u> | | |
| Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand. | | |
| <u>MONTHLY RATE:</u> | | |
| Consumer Charge | \$ 1,097.60 | |
| Demand Charge per KW of Contract Demand | \$ 5.53 | |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$ 8.03 | |
| Energy Charge per kWh | \$ 0.03784 0.04836 | R |
| <u>BILLING DEMAND:</u> | | |
| The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein: | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | |
| May through September | 10:00 A.M. to 10:00 P.M. | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007

ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 23

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 23

| CLASSIFICATION OF SERVICE | | Rate Per Unit |
|---|--|------------------|
| LARGE INDUSTRIAL RATE - SCHEDULE B3 | | |
| <u>AVAILABILITY:</u> | | |
| Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand. | | |
| <u>MONTHLY RATE:</u> | | |
| Consumer Charge | | |
| Transformer Size of 10,000 - 14,999 kVa | \$ 3,059.74 | |
| Transformer Size of 15,000 kVa and greater | \$ 4,856.57 | |
| Demand Charges per kW | | |
| Contract Demand | \$ 5.53 | |
| Billing Demand in Excess of Contract Demand | \$ 8.03 | |
| Energy Charge per kWh | \$ 0.03681 | |
| | 0.04733 | R |
| <u>BILLING DEMAND:</u> | | |
| The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein: | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | |
| May through September | 10:00 A.M. to 10:00 P.M. | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007

ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 26

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 26

| CLASSIFICATION OF SERVICE | | | | | | | | | | | | | |
|---|--|-----------------|--|-----------------------|---|-----------------------|--------------------------|-----------------------|----|---------|--|--|---------|
| LARGE INDUSTRIAL RATE - SCHEDULE C1 | Rate Per Unit | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.</p> | | | | | | | | | | | | | |
| <p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Consumer Charge</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 20%; text-align: right;">549.32</td> </tr> <tr> <td>Demand Charge per KW of billing demand</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">5.53</td> </tr> <tr> <td>Energy Charge per kWh</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.04297</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">0.05349</td> </tr> </table> | | Consumer Charge | \$ | 549.32 | Demand Charge per KW of billing demand | \$ | 5.53 | Energy Charge per kWh | \$ | 0.04297 | | | 0.05349 |
| Consumer Charge | \$ | 549.32 | | | | | | | | | | | |
| Demand Charge per KW of billing demand | \$ | 5.53 | | | | | | | | | | | |
| Energy Charge per kWh | \$ | 0.04297 | | | | | | | | | | | |
| | | 0.05349 | | | | | | | | | | | |
| <p><u>BILLING DEMAND:</u></p> <p>The monthly billing demand shall be the greater of (a) or (b) listed below:</p> <p>(a) The contract demand</p> <p>(b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: center;"><u>Months</u></th> <th style="text-align: center;"><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td>October through April</td> <td>7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.</td> </tr> <tr> <td>May through September</td> <td>10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table> | | <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | May through September | 10:00 A.M. to 10:00 P.M. | | | | | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | | | | | | | | | | | | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | | | | | | | | | | | | |
| May through September | 10:00 A.M. to 10:00 P.M. | | | | | | | | | | | | |

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: August 1, 2007
ISSUED BY _____ TITLE President & CEO
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524 Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 29

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 29

| CLASSIFICATION OF SERVICE | | Rate Per Unit | | | | | | | | | | | | |
|---|--|------------------|--|-----------------------|---|-----------------------|--------------------------|-----------------------|----|---------|--|--|---------|---|
| LARGE INDUSTRIAL RATE - SCHEDULE C2 | | | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.</p> | | | | | | | | | | | | | | |
| <p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Consumer Charge</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 20%; text-align: right;">1,097.60</td> </tr> <tr> <td>Demand Charge per KW of Billing Demand</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">5.53</td> </tr> <tr> <td>Energy Charge per kWh</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.03784</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;">0.04836</td> </tr> </table> | | Consumer Charge | \$ | 1,097.60 | Demand Charge per KW of Billing Demand | \$ | 5.53 | Energy Charge per kWh | \$ | 0.03784 | | | 0.04836 | R |
| Consumer Charge | \$ | 1,097.60 | | | | | | | | | | | | |
| Demand Charge per KW of Billing Demand | \$ | 5.53 | | | | | | | | | | | | |
| Energy Charge per kWh | \$ | 0.03784 | | | | | | | | | | | | |
| | | 0.04836 | | | | | | | | | | | | |
| <p><u>BILLING DEMAND:</u></p> <p>The monthly billing demand shall be the greater of (a) or (b) listed below:</p> <p>(a) The contract demand</p> <p>(b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table style="width: 100%; border: none;"> <thead> <tr> <th style="text-align: center;"><u>Months</u></th> <th style="text-align: center;"><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td>October through April</td> <td>7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.</td> </tr> <tr> <td>May through September</td> <td>10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table> | | <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | May through September | 10:00 A.M. to 10:00 P.M. | | | | | | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | | | | | | | | | | | | | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | | | | | | | | | | | | | |
| May through September | 10:00 A.M. to 10:00 P.M. | | | | | | | | | | | | | |

DATE OF ISSUE December 20, 2007

DATE EFFECTIVE: August 1, 2007

ISSUED BY _____
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524

Dated July 25, 2007

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 32

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 32

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE - SCHEDULE C3

Rate
Per Unit

AVAILABILITY:

Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand.

MONTHLY RATE:

| | | | | |
|--|----|----------|--|----------|
| Consumer Charge | | | | |
| Transformer Size of 10,000 - 14,999 kVa | \$ | 3,059.74 | | |
| Transformer Size of 15,000 kVa and greater | \$ | 4,856.57 | | |
| Demand Charge per kW | \$ | 5.53 | | |
| Energy Charge per kWh | \$ | 0.03684 | | |
| | | 0.04733 | | R |

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> |
|-----------------------|--|
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. |
| May through September | 10:00 A.M. to 10:00 P.M. |

DATE OF ISSUE December 20, 2007

DATE EFFECTIVE: August 1, 2007

ISSUED BY _____
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. 2006-00524

Dated July 25, 2007